

INSTRUCTIONS FOR FILING
ESTIMATED TAX VOUCHERS

2009

WHAT'S NEW FOR 2009—The standard deduction will increase to \$2,190 for 2009.

WHO MUST MAKE PAYMENTS—Individuals who can reasonably expect to have income of more than \$5,000 from which no Kentucky income tax will be withheld may be required to make estimated tax payments as required by KRS 141.300. Individuals who do not prepay at least 70 percent of their income tax liability for the year will be subject to a penalty for underpayment of estimated tax. The prepayments may be made through withholding, a credit forward from the previous year's income tax return or estimated tax payments. The worksheet on the reverse should be used to determine the amount which should be paid through estimated tax payments. **If the amount of estimated tax for the year is \$500 or less, no payment is required.**

WHEN TO PAY—Taxpayers may pay the full amount of estimated tax in one payment on the earliest applicable due date, or they may pay in installments. Installments for calendar year 2009 are due April 15, June 15, September 15, 2009, and January 15, 2010. Any credit from a 2008 income tax return should be applied to the amount owed before any payments are made. Installment payments should not be made until the amount of the credit has been used. A voucher should be filed only when a payment is required.

IF INCOME CHANGES—Due to changes in sources or amounts of income during the year, a taxpayer who is not required to pay estimated tax at the beginning of the year may be required to pay during the year. A taxpayer may also be required to recompute the estimated tax and to adjust the amount of the installments during the year as a result of changes in sources or amounts of income. Whenever the initial estimate is required or the change occurs, a taxpayer electing to pay in installments must pay the total amount of tax due in equal amounts on the remaining due dates.

Period When Estimate Required or Change Occurs	Due Date	Number of Equal Installments
January 1–April 1	April 15, 2009	4
April 2–June 1	June 15, 2009	3
June 2–September 1	September 15, 2009	2
September 2–December 31*	January 15, 2010	1

**If the change occurs after September 1, 2009, the voucher is not required if the 2009 Kentucky income tax return is filed and the tax shown to be due is paid on or before February 2, 2010.*

FISCAL YEAR FILERS—If you pay tax for a fiscal year instead of a calendar year, your due date is the 15th day of the fourth, sixth and ninth months of your fiscal year and the 15th day of the first month of the following fiscal year.

FAMILY SIZE TAX CREDIT—The Family Size Tax Credit is based on modified gross income (MGI) and the size of the family. If your total MGI is \$28,196 or less you may qualify for Kentucky Family Size Tax Credit.

"Modified gross income" used to calculate the Family Size Tax Credit means the greater of:

Federal adjusted gross income adjusted to include interest income derived from municipal bonds (non-Kentucky) and lump-sum pension distributions not included in federal adjusted gross income;

or

Kentucky adjusted gross income adjusted to include lump-sum pension distributions not included in federal adjusted gross income.

PASS-THROUGH ENTITIES AND INDIVIDUAL OWNERS OF DISREGARDED SINGLE MEMBER LLCs—For taxable years beginning on or after January 1, 2007, all pass-through entities and individual owners of disregarded single member LLCs that file on Schedules C, E or F for federal income tax purposes will be treated the same for Kentucky income tax purposes as they are treated for federal income tax purposes except for the differences between Kentucky law and federal law. Individuals with income from pass-through entities or disregarded single member LLCs that file Schedule C, E or F for federal income tax purposes may be required to make individual estimated tax payments.

FARM INCOME—Taxpayers with income from farming are not required to make installment payments if they meet the following criteria: (1) two-thirds of gross income is from farming; and (2) the entire amount of estimated tax is paid on or before January 15, 2010; or (3) the 2009 income tax return is filed and total tax is paid on or before March 1, 2010.

PENALTY FOR UNDERPAYMENT—A penalty equal to 10 percent of any underpayment may be assessed. The underpayment is calculated by taking 70 percent of the amount on Form 740, Line 26 (income tax liability) and subtracting taxes prepaid through a credit forward, withholding and estimated tax payments. Minimum penalty is \$25.

HOW TO USE ESTIMATED TAX VOUCHERS—Enter your name, address and Social Security number(s) in the spaces provided. In the payment block, enter the amount of payment. Do not enter amounts paid through a credit from a previous year.

HOW TO PAY—Make check payable to **Kentucky State Treasurer**. Mail the check with the voucher to: **Kentucky Department of Revenue, Frankfort, KY 40620-0009**. To ensure accurate crediting to your account, you must send the voucher with your check. Please write your Social Security number(s) on the face of your check. If you wish to mail your first installment with Form 740, please prepare a separate check for the amount shown on the voucher and include the voucher marked "Installment 1."

Estimated Tax Worksheet (Keep for your records)

2009

1. Enter your total estimated wages subject to withholding	1		
2. Enter your total estimated taxable income from sources with no withholding.....	2		
3. Add lines 1 and 2	3		
4. Enter estimated adjustments to income.....	4		
5. Subtract line 4 from line 3. This is your ESTIMATED ADJUSTED GROSS INCOME	5		
6. Enter estimated allowable itemized deductions or the standard deduction of \$2,190	6		
7. Subtract line 6 from line 5. Enter the difference here. This is your ESTIMATED NET INCOME	7		
8. Compute tax on estimated net income from line 7 using the tax rate schedule below. ENTER TAX HERE..... ➤	8		
9. Enter your tax credits (\$20 for yourself and each dependent).....	9		
10. Enter Family Size Tax Credit using percentage from worksheet below	10		
11. Enter Kentucky income tax to be withheld in 2009. Add lines 9, 10 and 11 and enter total at right	11		
12. Subtract the total on line 11 from line 8. This is your Estimated Kentucky Income Tax for 2009. Enter here. If this amount is \$500 or less, estimated tax payment is not required	12		
13. Divide line 12 by 4. This is amount of each installment. Enter here and in Column B, lines 1 through 4 of Record of Estimated Tax Payments Schedule below	13		

Family Size Tax Credit (FSTC) is based on modified gross income (MGI) and the size of the family. Refer to page 1 for the definition of MGI. The 2008 table is provided for your convenience.

Size of Family Unit:

- 1**—an individual either single or married living apart from his or her spouse for the entire year
- 2**—an individual with one qualifying child or a married couple
- 3**—an individual with two qualifying children or a married couple with one qualifying child
- 4 or more**—an individual with three qualifying children or a married couple with two qualifying children

Family Size If MGI . . .	One		Two		Three		Four or More		FSTC
	is over	is not over	is over	is not over	is over	is not over	is over	is not over	Percentage is
2008	\$ ---	\$10,400	\$ ---	\$14,000	\$ ---	\$17,600	\$ ---	\$21,200	100
	10,400	10,816	14,000	14,560	17,600	18,304	21,200	22,048	90
	10,816	11,232	14,560	15,120	18,304	19,008	22,048	22,896	80
	11,232	11,648	15,120	15,680	19,008	19,712	22,896	23,744	70
	11,648	12,064	15,680	16,240	19,712	20,416	23,744	24,592	60
	12,064	12,480	16,240	16,800	20,416	21,120	24,592	25,440	50
	12,480	12,896	16,800	17,360	21,120	21,824	25,440	26,288	40
	12,896	13,208	17,360	17,780	21,824	22,352	26,288	26,924	30
	13,208	13,520	17,780	18,200	22,352	22,880	26,924	27,560	20
	13,520	13,832	18,200	18,620	22,880	23,408	27,560	28,196	10
	13,832	---	18,620	---	23,408	---	28,196	---	0

TAX RATE SCHEDULE	
<i>If taxable income is:</i>	<i>Tax is:</i>
\$3,000 or less	2% of taxable amount
over \$3,000 but not over \$4,000	\$60 plus 3% of amount over \$3,000
over \$4,000 but not over \$5,000	\$90 plus 4% of amount over \$4,000
over \$5,000 but not over \$8,000	\$130 plus 5% of amount over \$5,000
over \$8,000 but not over \$75,000	\$280 plus 5.8% of amount over \$8,000
over \$75,000	\$4,166 plus 6% of amount over \$75,000

The schedule below is for your records only and is **not** to be mailed to the Department of Revenue.

RECORD OF ESTIMATED TAX PAYMENTS SCHEDULE				
	Col. A	Col. B	Col. C	Col. D
Voucher Number	Date	Amount from line 13 above.	2008 overpayment credit applied to installment. Subtract C from B.	Amount to be paid with voucher. Enter here and on Vouchers 1-4.*
1				
2				
3				
4				
Total				

*If zero or less, do not file a voucher. If amount credited exceeds amount of installment enter excess in Column C of the next line.